

SECURITY NATIONAL BANK OF NEVADA

Security Agreement

AGREEMENT:

Debtor, whose name appears below, and the SECURITY NATIONAL BANK OF NEVADA, Secured Party (hereinafter Bank) agree as follows: Debtor hereby grants to Bank a security interest in the Collateral described in Paragraph 3 to secure the payment of a note of even date, together with any and all of Debtor's indebtedness (including all debts, obligations or liabilities now or hereafter existing, absolute or contingent, and future advances) to Bank.

1. DEBTOR(S)

a.	<u>W. N. Lenton</u>	<u>542-16-2365</u>		
	Name	Social Security or Employer Number		
b.	Trade Name (if any)			
c.	<u>P. O. Box 44</u>	<u>Carson City</u>	<u>Nevada</u>	<u>89701</u>
	Mailing Address	City	State	Zip
d.	<u>P. O. Box 44</u>	<u>Carson City</u>	<u>Nevada</u>	<u>89701</u>
	Chief Place of Business	City	State	Zip
e.	<u>1950 North Carson Street</u>	<u>Carson City</u>	<u>Nevada</u>	<u>89701</u>
	Residence (individuals)	City	State	Zip

2. Secured Party	Office	Mailing Address	(Transit and A.B.A. No.)
SECURITY NATIONAL BANK OF NEVADA	Reno Main	P. O. Box 171, Reno, Nevada 89504	94-9/1212

3. COLLATERAL DESCRIPTION: The Collateral, together with all additions and accessions thereto, is described as follows:

Ten (10) 100 ton roller bearing trucks, 20,000 gallon class, ICC #111A100W-1, tank cars manufactured by General American Transportation Co., Serial Numbers RTLX 2028, 2029, 2030, 2031, 2032, 2042, 2044, 2045, 2050 and 2051.

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RECORDATION NO. 5699 FILED & RECORDED
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INTERSTATE COMMERCE COMMISSION

4. LOCATION OF COLLATERAL: The Collateral will be located at

5. INCORPORATION OF PROVISIONS ON REVERSE: Paragraphs 6 through 17, inclusive, of this agreement are continued on the reverse side and are part of this agreement.

DATED April 29, 19 70

SECURITY NATIONAL BANK OF NEVADA

By N. E. Spottiswoode
N. E. Spottiswoode
Vice President

Note: Buyer acknowledges that he has read and received a completed copy of this agreement.

By W. N. Lenton
W. N. Lenton
Title _____
Signature of Debtor(s)

6. Upon default or when the Bank in good faith believes that the prospect of payment or performance is impaired or deems itself insecure, Debtor shall pay immediately to Bank, if the Bank so elects, the entire amount remaining unpaid under any term of this agreement.
7. Debtor shall pay promptly when due all taxes and assessments upon the collateral for its use or operation or upon this agreement.
8. Debtor shall pay to Bank the sum or sums evidenced by the promissory note or notes executed pursuant to this Security Agreement in accordance with the terms of the note or notes, and the amount of any other of Debtor's indebtedness to Bank.
9. Debtor shall pay to Bank, as a default charge, interest in the manner and at the rate charged in the note of even date herewith, on any sums advanced by Bank as a result of Debtor's default.
10. Debtor agrees that the collateral:
 - a. Shall not be attached or affixed to real estate unless Bank consents in writing.
 - b. Will not be misused or abused, wasted or allowed to deteriorate, except for the ordinary wear and tear of its intended primary purpose.
 - c. Will be kept at Debtor's address shown herein where Bank may inspect it at any time, except for its temporary removal in connection with its ordinary use or unless Debtor notifies Bank in writing and Bank consents in writing in advance of its removal to another location.
 - d. Will not be sold, transferred or disposed of or be subject to any unpaid charge, including taxes, or to any subsequent interest of a third person created or suffered by Debtor, voluntarily or involuntarily, unless Bank consents in advance in writing to such charge, transfer, disposition or subsequent interest.
 - e. Will be insured until this Security Agreement is terminated against all expected risks to which it is exposed, including fire, theft and collision, and those which Bank may designate, with the policies acceptable to Bank, payable to both Bank and Debtor, as their interests appear, and providing for ten (10) days' minimum cancellation notice to Bank, and with duplicate policies deposited with Bank. If Debtor fails to do so, Bank may procure the insurance and in that event, Debtor agrees to pay the premiums therefor upon demand as an additional part of the obligation secured hereby.
11. No loss, injury or destruction of the collateral shall release Debtor from his obligations hereunder.
12. Misrepresentation or misstatement in connection with, non-compliance with or nonperformance of any of Debtor's obligations or agreements under this Security Agreement, or the indebtedness it secures, shall constitute default under this agreement. In addition, Debtor shall be in default if bankruptcy or insolvency proceedings are instituted by or against the Debtor or if Debtor makes any assignment for the benefit of creditors.
13. Upon Debtor's default, Bank may exercise its rights of enforcement under the Nevada Uniform Commercial Code in force at the date of this Security Agreement and, in conjunction with, addition to or substitution for those rights, at Bank's discretion, may
 - a. Enter upon Debtor's premises to take possession of, assemble and collect the collateral or render it unusable, and
 - b. Require Debtor to assemble the collateral and make it available at a place Bank designates which is mutually convenient, to allow Bank to take possession or dispose of the collateral, and
 - c. Waive any default or remedy any default in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default.
 - d. Incur reasonable attorneys' fees and legal expenses in exercising any of its rights and remedies upon Debtor's default which shall become part of its reasonable expenses of retaking, holding, preparing for sale and the like.
 - e. Exercise all rights of set-off and Banker's lien as if no collateral had been given.
14. Bank may assign this Security Agreement and the Assignee shall be entitled, upon notifying Debtor, to performance of all of Debtor's obligations and agreements under this agreement, and Assignee shall be entitled to all of the rights and remedies of Debtor under this agreement.
15. Debtor agrees and affirms:
 - a. That information supplied and statements made by him in any financial or credit statement or application for credit prior to this Security Agreement are true and correct, and
 - b. That no financing statement covering the collateral or its proceeds is on file in any public office and that, except for the security interest granted in this Security Agreement, there is no adverse lien, security interest or encumbrance in or on the collateral, and that Debtor has or will acquire title to all the collateral.
16. If more than one Debtor executes this Security Agreement, their obligations under this agreement shall be joint and several.
17. The law governing this transaction shall be that of the State of Nevada in force at the date of this agreement.